

N.M. must play bigger role along border

Business Across the Border

By Jerry Pacheco
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Renewed interest in New Mexico's border region has been spurred by the new infrastructure and increased development between the Santa Teresa and Columbus Ports of Entry.

However, to most New Mexicans, the border is a black hole filled with challenges, including lack of infrastructure, poverty and the absence of a central plan or vision for its development.

New Mexico's border and the role it should be playing in the state's development was the impetus for the North American Institute (NAMI) to sponsor a workshop, the "Santa Teresa/San Jeronimo Border: A Vision for Tomorrow," held Oct. 25 in Santa Teresa.

NAMI is a private, non-profit organization with a secretariat in Santa Fe and branches in Vancouver and Mexico City. It holds workshops and forums to examine issues pertinent to the United States, Canada and Mexico.

The conference brought together a forum of major border players and stakeholders who have an interest in Santa Teresa and its planned bi-national city across the border, San Jeronimo, Chihuahua.

Attending were developers, landholders, politicians, public servants and non-governmental agencies. The forum provided an opportunity for participants to discuss issues ranging from trade to the environment. A wide variety of border issues was raised.

Most participants believed that New Mexicans living outside of the border region tend to have very little knowledge of the border, or they ignore its role in the state's economy. The Santa Teresa area has been one of the most rapidly industrializing areas of New Mexico.

However, people in the central and northern portions of the state have little knowledge that this is occurring. This might be because these people do not feel economically, socially or politically affected by what is happening there.

The state does so little business with Mexico that few New Mexicans have a vested interest in increasing commercial relations with our southern neighbor. The opposite is

true in other border states such as Texas, where, if the border were closed tomorrow, thousands of businesses would cease to exist and millions would be unemployed.

New Mexico could utilize the border to tap into the more than \$250 billion U.S.-Mexico trade relationship and positively diversify and shape its economic development future.

Another major issue at the conference was that of border security in the wake of the Sept. 11 terrorist attacks. The United States is facing heightened security at both its northern and southern borders. During the last 15 years, North America has grown closer from social, political and economic standpoints. However, the days of casually treating the border as a lightly policed area are over.

According to John Wirth, NAMI's president, "Hopefully, we will begin to see a better balance between security and the flow of people. Security will be tempered with a greater wish to be more integrated. The security crisis may be a catalyst to accomplish this."

Gil Saucedo of the Union Pacific Railroad discussed how the logistics of moving cargo in and around the border have changed since Sept. 11, and how New Mexico can stand to benefit. The supply chains and just-in-time inventory management systems of many border manufacturers and Mexican maquiladoras (twin plants) will likely change because of the security concerns.

The trend toward manufacturers reducing their inventory or carrying no inventory at all may experience reversal.

Many maquiladoras had been using a system of backing up trailers full of production inputs to their docks on an as-needed basis in an attempt to reduce the inventory on hand. Because of increased congestion at border crossings in the wake of greater security, maquiladoras may again have to carry inventory. In order to move this inventory and cargo securely, improved efficiency in infrastructure and transportation of goods will be the key.

There will be a greater need for intermodal facilities offering cargo transportation by truck, rail and air.

El Paso's intermodal facilities are currently landlocked by growing residential communities, which have choked off the ability of the city's railroad yards and facilities to expand. Logistics on the border are market-driven, and they determine warehousing, trucking and rail.

New Mexico has a tremendous opportunity to step in and fill the void. Santa Teresa is in the middle of a high-speed, heavily trafficked corridor in which 48 trains mostly destined for the Mississippi Gateway and Chicago pass through daily on the Union Pacific Transcontinental Rail. UP plans to expand this to 60 trains in the near future.

Saucedo says, “New Mexico has a great opportunity to start creating border infrastructure, which is sorely lacking all along the U.S.-Mexico border, and the time is now.”

As cross-border trade accelerates, the infrastructure gap only increases.

If Santa Teresa and the rest of New Mexico’s border region are to grow, the issues of water availability and water rights also need to be examined. The State Engineer’s Office discussed the evolution of water rights throughout the state and how border growth could force the debate between the use of water for farming versus industry.

Water issues along the border are a microcosm of issues that the state will battle in the future. Texas is primed to fight for a greater allocation of Rio Grande water, and New Mexico has begun to demand the retirement of surface water rights in order to pump water from wells that affect the level of the Rio Grande.

Dr. Gerald Yonas of Sandia National Laboratories’ Advanced Concept Group discussed Sandia’s plans to establish a bi-national sustainable lab on the U.S.-Mexico border, which would bring together the brightest scientific minds from both sides of the border to resolve the region’s security, water and ecological problems.

Said Yonas, “Technology must be used to break down barriers and to provide security. We must also create opportunities for the area’s talent to remain locally.”

By doing this, the lab could be considered a brain importer instead of a brain exporter. As the role of New Mexico’s border evolves, this will indeed be a precious commodity.

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